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EUR/G
INCOMING

FRP: , , , , ,

STAFF

ACTION: EUR/G-3 (653) INFO: ODPD-D, VR, FILE, EUDORECORD, DC/EUR/N3,
EUR/SA-3, SE/ORP-2, SE/RBE, SE/XEU-2, SE/XO, C/PCS, CI/CLFL, CI/EUR,
EPS/EG-2, PCS/STC, STC/CCO, (22/W)

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TO: DIRECTOR INFO []

WNINTEL CALL [] LH DEN CASCOPE

SUBJECT: INFO EXCHANGE AND JOINT OPS DISCUSSION

REF: [] 66157 1767831

1. ON 8 AUGUST [] AND [] WERE BRIEFED BY
ALIAS ACKERMANN AND MEMBERS OF HIS STAFF ON EAST GERMAN EFFORTS
TO ACQUIRE SOPHISTICATED WESTERN TECHNOLOGY. ALIASES MAERKER,
LEONBERG, AND GRAT ALSO TOOK PART IN THE BRIEFING. MAERKER WAS
DESCRIBED AS THE CASCOPE OPERATIONS DESK CHIEF FOR AUSTRIA.
LEONBERG WAS INTRODUCED AS THE TARGETING OFFICER FOR EAST GERMAN
OPERATIONS AND GRAT'S FUNCTIONS WERE DESCRIBED AS BEING QUITE
SIMILAR TO THOSE OF A DDO REPORTS OFFICER.

2. ACKERMANN PROVIDED A COMPREHENSIVE AND DETAILED
BRIEFING WHICH CENTERED ON THE ACTIVITIES OF THE ALEXANDER
SCHALK APPARAT WHICH ACKERMANN REFERRED TO AS COMMERCIAL COORDI-
NATION, OR KOKO. ACKERMANN EXPLAINED THAT KOKO WAS A PARALLEL
ORGANIZATION TO THE LEGITIMATE ACTIVITIES OF THE MINISTRY OF
FOREIGN TRADE. HE PRODUCED NUMEROUS CHARTS OF ORGANIZATIONAL
BREAKDOWNS AND LINES OF COORDINATION SHOWING THE EXTENT TO WHICH
SCHALK IS ABLE TO MAINTAIN CONTROL OF EAST GERMAN ECONOMIC ACTIVITY.
IN ADDITION TO SCHALK'S OWN CLOSE RELATIONSHIPS TO MIELKE AND
WOLF, ACKERMANN IDENTIFIED MFS OFFICERS AND THEIR KEY ROLES IN
THE KOKO STRUCTURE. THE BRIEFING ALSO COVERED A NUMBER OF
PUBLIC AND PRIVATE COMMERCIAL ENTITIES UTILIZED BY KOKO TO OBTAIN
ACCESS TO WESTERN TECHNOLOGY.

3. IN ADDITION TO CHARTS AND GRAPHS ACKERMANN UTILIZED
MATERIAL FROM A NUMBER OF PERSONNEL DSSSIERS. ACKERMANN DESCRIBED
HIS BRIEFING AS BEING BASED ON MATERIAL OBTAINED FROM SENSITIVE
SOURCES WHICH HAD BEEN COMPILED TO SERVE AS AN OPERATIONAL BASIS.
HE SAID THE MATERIAL IN THIS FORM HAD NOT BEEN PROVIDED TO THE
CASCOPE EVALUATORS. HE SAID THAT AS HE AND HIS STAFF

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WORKED TO ASSEMBLE THIS MATERIAL, THEY CAME TO THE REALIZATION THAT THEY WERE IN THE PROCESS OF A MAJOR DISCOVERY, I.E. THE STRUCTURE AND THE EXTENT OF THE ILLEGAL KOKO ORGANIZATION. IT IS ALSO OBVIOUS THAT A GREAT DEAL OF CARE AND THOROUGHNESS WERE USED IN THE COMPILATION OF THE BRIEFING MATERIALS. WE DID NOT GET THE IMPRESSION THAT IT CAME FROM ANY ONE SOURCE OR A DIRECT PENETRATION OF THE KOKO ORGANIZATION. IT SEEMED RATHER TO BE BASED UPON DETAILED AND CAREFULLY TARGETTED REFUGEE

DEBRIEFINGS COUPLED WITH INFORMATION FROM PENETRATIONS OF GERMAN FIRMS INVOLVED IN TECHNOLOGY TRANSFER WITH EAST GERMANY.

4. ACKERMANN LAID SPECIAL EMPHASIS ON THE ROLE OF VIENNA AND KOKO'S EFFORTS MENTIONING, FOR EXAMPLE, SUCH PEOPLE AS PETER JENSBICHLER AND FIRMS SUCH AS DEC. HE REFERRED TO SPECIFIC BUSINESS DEALS AND ELECTRONICS IN WHICH PEOPLE AND FIRMS WERE INVOLVED. AS HE WARMED TO HIS BRIEFING, ACKERMANN PROJECTED AN IMAGE OF DEEP PERSONAL REVULSION AT THE PERVASIVE AND ILLEGAL NATURE OF KOKO ACTIVITIES. HE DESCRIBED KOKO AS AN ILLEGAL ORGANIZATION RUN BY A BUNCH OF CRIMINALS. ACKERMANN SAID THERE SEEMED TO BE A BERLIN/VIENNA AXIS IN KOKO OPERATIONS AND HE WISHED TO PROPOSE THAT WE JOINTLY UNDERTAKE AN EFFORT TO EXPOSE THIS ACTIVITY.

5. ACKERMANN WAS RATHER VAGUE ON THE PRECISE NATURE OF THE COOPERATION HE WAS PROPOSING. HE SAID THAT MAERKER TRAVELS TO VIENNA AT LEAST EVERY TWO WEEKS AND WOULD BE PREPARED TO DISCUSS DETAILS OF ACTIVITIES CONDUCTED THROUGH VIENNA FIRMS. ACKERMANN SUGGESTED THAT AN EFFORT BE MADE TO IDENTIFY AND TRACK THE MOVEMENTS OF INDIVIDUALS INVOLVED IN ILLEGAL TRANSFER AND DIVERSION. HE SAID HE WOULD BE HAPPY TO MEET WITH MAERKER IN VIENNA FOR FURTHER DISCUSSIONS BUT IT DEVELOPED THAT MAERKER WILL BE ON LEAVE THROUGHOUT THE MONTH OF SEPTEMBER. SINCE [] WILL BE ON HOME LEAVE DURING THAT PERIOD, IT WAS AGREED THAT THE VIENNA MEETING WOULD TAKE PLACE FIRST IN SECOND HALF OF OCTOBER. ACKERMANN, HOWEVER, SAID THAT HE EXPECTS TO HAVE A MUCH BETTER AND MORE COMPREHENSIVE ANALYSIS OF KOKO ACTIVITIES IN OCTOBER AND HE SEEMED TO SUGGEST THAT WE REASSEMBLE IN MUNICH FOR FURTHER BRIEFINGS BEFORE GETTING INTO THE SPECIFICS OF COOPERATION. ACKERMANN DID SUGGEST TO [] THAT THE TWO OF THEM GET TOGETHER AT A DATE LATER IN AUGUST TO DISCUSS MORE SPECIFICALLY THE ROLE OF BERLIN AND THE POSSIBILITY OF A JOINT ACTIVITY THERE. IN THIS REGARD ACKERMANN MADE VAGUE REFERENCE TO AN INITIATIVE SUGGESTED BY [] TO THE CASCOPE VP IN THE PREVIOUS WEEK.

6. AT THE CONCLUSION OF THE BRIEFING, WE EXPRESSED APPRECIATION FOR THE COMPREHENSIVE AND THOROUGH PRESENTATION. [] COMMENTED THAT THE MATERIAL PRESENTED BY ACKERMANN TRACKED WELL WITH INFORMATION WHICH HAD BEEN DEVELOPED IN VIENNA AND SAID

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THAT WE WERE WILLING TO DISCUSS SPECIFIC PROPOSALS FOR COOPERATION IN MUNICH OR VIENNA.

7. FOLLOWING LUNCH, ACKERMANN PROVIDED SOME GENERAL COMMENTARY ON CASCOPE EXPERIENCES AGAINST DDR REPRESENTATION ABROAD. NOT UNEXPECTEDLY, HE SAID THAT THE CASCOPE HAD ITS GREATEST

SUCCESSSES AGAINST COMMERCIAL AND TRADE OFFICIALS. HE SAID THAT THEY HAD FOUND THAT ONE COULD ALSO TALK TO SCIENTISTS BUT POLITICAL AND MFS CADRE HAD PROVEN TO BE DIFFICULT TARGETS. HE AGREED THAT MILITARY OFFICERS MIGHT BE THE MOST DIFFICULT TARGETS OF ALL BECAUSE OF THEIR STRONG AND CONTINUING INDOCTRINATION. I HAD COME PREPARED TO TALK ABOUT SPECIFIC DDR OFFICIALS STATIONED IN VIENNA BUT ACKERMANN SEEMED TO PREFER TO KEEP THE DISCUSSION ON A MORE GENERAL PLANE. THUS, ANY DETAILED DISCUSSION WAS DEFERRED UNTIL SUCH TIME AS MAERKER VISITS VIENNA. MAERKER STRUCK US AS AN INTELLIGENT AND CAPABLE OFFICER. WE BELIEVE THAT DISCUSSIONS WITH HIM CAN BE DEVELOPED ON A MORE CONCRETE BASIS ONCE WE MEET IN VIENNA.

8. FILE: 32W-002-025/3. DECL OADR DRV HUM 4-82. ALL SECRET.
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